



The Hamilton Consulting Group

Legislative, Regulatory & Information Services

TO: Members of the Assembly Committee on Transportation

FR: Andy Franken on behalf of Enterprise Rent-A-Car

RE: Support for Assembly Bill 825

The current law provisions relating to nonmoving traffic violations by persons renting a vehicle, notably parking and towing tickets, creates an unfair system whereby the violator pays nothing and the owner of the vehicle, the rental car company is forced to pay the fines.

AB-825 will allow rental car companies to charge a persons credit card for parking and towing violations. This is a bill which will hold the driver responsible for his/or her actions.

Some facts to consider:

- Nationally the average rental contract is valued at \$180. The profit margin on one transaction is approximately \$20. The average ticket is \$67. One unpaid ticket could wipe out three or more transactions.
- In Wisconsin, Enterprise Rent-A-Car averages approximately 300 tickets per month, costing about \$8,500 per month.
- Enterprise Rent-A-Car composes about 33% of the state market.

I respectfully request you to support AB-825,

Lessor Liability for Nonmoving Vehicle Violations

State	Wisconsin	Iowa	Indiana	Illinois	Michigan	Minnesota
§	§344.578 §345.28 (Proposed)	§321.484	IC 9-30-11-2 IC 9-30-11-8	625 ILCS 5/11-1306	257.675b 257.675c	168.2701
Generally	The owner is responsible for payment if the lessee or renter is remiss.	Owner must establish that at the time of the parking violation the vehicle was in the custody of another.	Owner must establish that at the time of the parking violation the vehicle was in the custody of another.	Owner must request a change from the local authority within 120 days of the violation.	Owner must furnish proof that the vehicle was in the custody of another.	Owner must provide authority with information about lessee.
Lease Agreement	Renter or lessee must be shown to be in possession of the vehicle.	Must show possession through a lease or rental agreement.	Must show possession through a rental or lease agreement which can't be for more than 60 days. Must provide renters/lessees information.	Owner must, within 60 days of requesting, notify authority of name and address of lessee.	Lease agreement must have been for less than 30 days. Owner must provide information about lessee to authority.	Owner must provide information within 15 days of receiving notice of the ticket.
Burden of Proof		Prima facie evidence in favor of the owner if an agreement is produced. This will prompt a dismissal.		Prima facie that registered owner is guilty. (Chicago v. Hertz, 71 Ill. 2d 333)	Owner is considered prima facie responsible for violation. (§ and People v. Kayne, 282 N.W. 248)	
Conclusion	Owner will be refunded 100% of payment if authority is also paid by lessee. Registration will be suspended for non-payment.	Then a citation will be issued against lessee or renter	The motor vehicle registration suspension procedures do not apply to an owner in a lease or rental situation.	This will prompt a citation to be issued against lessee	Owner can get a civil judgment against the operator.	Owner will be absolved and lessee will be issued a ticket.
Indemnity	Owner can charge the card of the lessee for costs plus a max. \$30 admin fee.				Owner can provide a written indemnification clause in the agreement.	Owner can provide a written indemnification clause in the agreement.